Illinois Primary Health Care Association Comments
Illinois' Behavioral Health Transformation- Section 1115 Demonstration Waiver
November 16, 2016

To whom it may concern:

The Illinois Primary Health Care Association (IPHCA) submitted the following 1115 waiver comments to the state of Illinois on September 29, 2016. IPHCA looks forward to working closely with the state on the development of Integrated Health Homes (IHHs) as outlined and discussed in Sections 1.2.3 and 4.1 of the waiver:

Background

IPHCA is the statewide trade association representing Federally Qualified Health Centers (FQHCs), or community health centers, that provide comprehensive primary health care services for 1.3 million Illinois residents. Over 45 Illinois health centers operate approximately 350 treatment sites in medically underserved areas throughout the state in both rural and urban areas. The health centers are the medical homes for many people who have low incomes, are uninsured or rely on public insurance. FQHCs are a safety net system that must provide care to all regardless of ability to pay. At this time, **60% of Illinois FQHC patients are Medicaid enrollees and 20% remain uninsured.**

FQHCs have broad, bipartisan support at both the state and federal levels as evidenced by the expansion of health centers under George W. Bush and under the 2010 Patient Protection and Affordable Care Act. For the past 50 years, FQHCs have a proven track record of providing high quality health care services, including behavioral health, dental, optometric and pharmacy services in an efficient and effective manner. Additionally, **health care savings are created every time a health center patient opts for an exam and treatment at the first sign of a health issue, instead of waiting until a costly emergency room treatment visit or hospitalization becomes their only option.**

A new 13-state study, which includes Illinois, of Medicaid claims data finds that health centers save 24% in total spending per Medicaid patient compared to non-health center providers. Researchers found that health center Medicaid patients had lower use and spending compared to non-health center patients across all services studied, including 22% fewer specialty care visits, 33% lower spending on specialty care, 25% fewer inpatient admissions, and 27% lower spending on inpatient care. The study was conducted by researchers from the University of Chicago, Johns Hopkins University, the University of California at Irvine, the Agency for Healthcare Research and Quality and the Health Resources and Services Administration and was published in the November issue of the *American Journal of Public Health*.

FQHCs also have a substantial, positive economic impact. According to another recent study, Illinois health centers contributed $1.5 billion to the state's economy in 2014.

Integrated Health Homes (IHHs) – FQHCs as One-Stop Shop for Integrated Care

IPHCA recognizes that the creation of Integrated Health Homes (IHHs) will occur through a state plan amendment (SPA). With that said, IPHCA finds it imperative that FQHCs be the leaders in the development of IHHs as they are already providing a "one-stop shop" for patient care. The draft waiver's commentary on innovations and integration of physical and behavioral health is indicative of the way health centers currently operate.

Illinois health centers are currently providing behavioral health services at 200 sites, a 43% increase since 2012. Through innovations taking place in communities nationwide, health centers are collectively leading the way toward a more integrated, patient-centered, prevention-focused health care system. And because all health centers are designed to be responsive to the needs of their communities through their patient-majority governing boards, they must continually meet community challenges with innovative solutions. As a result, health centers have become an integrated "one-stop shop" for patient care. Nationwide, 81% now offer some form of mental health and/or substance abuse treatment, 77% offer oral health, 40% offer pharmacy and 68% have already attained Patient-Centered Medical Home (PCMHs) certification/recognition.

An increasingly important part of health centers' primary care responsibilities is behavioral health care (mental health and substance abuse). The federal government has invested funds to integrate behavioral health services within health centers to better coordinate care across the health care spectrum, reduce health care costs and decrease the amount of duplicated services.

For example, Crossing Healthcare in Decatur, Illinois, the recipient of a federal behavioral health integration grant, has taken steps to address both the physical and mental health needs of their patient population. All patients age 12 and over are screened for depression at every visit to the health center. If the screens are positive, the medical provider will have a conversation with the patient at the appointment to determine next steps. If it is determined counseling is needed, a referral to the Crossing behavioral health care staff occurs. If a serious concern is noted, the patient is seen by a behavioral health counselor after their appointment with the medical provider, before leaving the clinic.

For patients requiring more comprehensive, on-going mental health treatment, Crossing works closely with Heritage Behavioral Health Center, the local community mental health center, to provide care. This collaboration ensures needed mental health services are accessible and coupled with the mental health services provided within the clinic so no duplication of services occur within the Decatur community.

FQHCs have been the leaders in integrating primary and behavioral health care so it is imperative that they be included in all conversations surrounding IHHs and be the primary providers within IHHs. No other providers are better suited to fully integrate physical and behavioral health care. To leave FQHCs out of these networks would be a grave disservice to the system of care for this vulnerable target population, and would hamper the state's ability to meet its goals of better care and reduced costs.

Therefore, **IPHCA seeks changes to Illinois' HHS Transformation and the 1115 waiver, as necessary, to increase the Medicaid reimbursement rates for FQHC behavioral healthcare providers and funds to**

recruit and hire additional behavioral healthcare providers to prepare FQHCs to become the leaders of IHHs.

Reimbursement Increase for Behavioral Health Providers

The current Medicaid reimbursement rate for FQHC behavioral health care providers such as Licensed Clinical Psychologists (LCPs), Licensed Clinical Social Workers (LCSWs), Licensed Clinical Professional Counselors (LCPCs) and Licensed Marriage and Family Therapists (LMFTs) is 60% lower than the cost of providing these services. In researching this wide disparity, two major factors surrounding the calculation of these rates have been uncovered. One is related to the use of a productivity screen that is 110% higher than the industry standard. The other is that today's rates were based on the 2002 and 2003 cost reports of only eight health centers while today, over 40 health centers are being reimbursed for providing these services.

Additionally, the state has increased behavioral health rates for other providers. According to a Public Notice released by HFS on September 26, 2016, "as an ongoing effort to provide access to care and quality services, the Department is proposing to increase reimbursement rates for specific psychiatric and behavioral health services rendered by a physician, advanced practice nurse or a licensed community mental health center." These rate increases come at a total cost of $27.5 million, $25 million of which is going to community mental health centers. **As FQHCs play a vital role in providing access to quality behavioral health care, adjusting the Medicaid behavioral health encounter rates to a cost-based level, as mandated by federal statute, at this time is justifiable and in the state's best interest.**

As long as FQHC Medicaid rates in Illinois do not cover the actual cost of providing care to Medicaid patients in the state, it is unreasonable to expect that FQHCs will increase their service to this population.

Funding Support for Behavioral Health Care Providers

Grants for Behavioral Health Care Providers

With mental health centers throughout the state closing their doors or reducing hours, additional resources are required to enable FQHCs to hire the necessary behavioral health care providers to serve persons living with mental illness and substance abuse disorders (SUD), while still providing high quality, comprehensive primary health care to any person despite their ability to pay.

As the waiver acknowledges, persons living with mental illness have a higher mortality rate and often die prematurely due to preventable diseases such as diabetes, cardiovascular disease, respiratory diseases and infectious diseases. Persons living with serious mental illness have a higher risk for morbidity and mortality due to higher rates of modifiable risk factors such as: smoking, lack of exercise, poor nutrition/obesity, unsafe sexual behavior, alcohol consumption and drug use. These factors lead to

higher health care costs overall for people with behavioral health comorbidities, as they are more likely to access higher levels of treatment for physical ailments than they would if their behavioral health issues were well controlled. Those with mental illness are also disproportionately uninsured.

Therefore, the state should mirror the federal government's investment to integrate primary and behavioral health care services within FQHCs by providing $10 million in grants to allow FQHCs to hire more behavioral health care providers such as psychiatrists, psychiatric nurse practitioners and licensed clinical social workers.

Student Loan Repayment Program

As with community mental health providers, FQHCs also have difficulty recruiting providers to serve in underserved communities. This is a troubling trend as a community health center's workforce is its most valuable resource. Quality patient care demands an integrated, multidisciplinary team, drawing on a range of clinical disciplines and administrative expertise, all built around the unique circumstances of the patient. Because of a persistent national shortage of clinicians, particularly in rural and underserved areas, health centers currently struggle to recruit and retain the clinical workforce necessary to meet patient needs. Over the past several years, the demand for behavioral health providers has risen dramatically. For example, IPHCA recruitment requests from member FQHCs for LCSWs and LCPCs grew 333% between 2012 and 2015.

To supplement the waiver's workforce training efforts, Illinois should commit to funding a behavioral health care provider loan repayment program for students that commit to serve in a primary care setting. The state has currently authorized loan repayment programs for family medicine, nursing, allied health professions, dental, and psychiatry, but many of these programs have not been fully funded since 2009 and do not include any type of behavioral health counselor.

The state should establish an annual funding level of $10 million to provide loan repayment assistance to primary and behavioral health care providers who commit to serving Medicaid populations in rural or other underserved areas. Eligible providers should also include Licensed Clinical Social Worker (LCSW), Licensed Clinical Professional Counselor (LCPC) and Licensed Clinical Psychologist (LCP) students, similar to the National Health Service Corps.

Conclusion

In planning the HHS Transformation, the state should include investments in building on what works. FQHCs are already providing a wide array of services, including primary and behavioral health, at one location. Those services imbedded within each respective community are patient-centered and keep individuals out of the emergency room and avoid costlier settings of care. The federal government has recognized the patient and economic value of FQHCs. With supplemental state funding for behavioral health, FQHCs will be better suited to integrate both behavioral and physical health and contribute fully to the success of the HHS Transformation and 1115 waiver outcomes.

Thank you for your consideration.

For questions or comments, please contact:

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